

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Cal Fire	(2) MEETING DATE 2/7/2012	(3) CONTACT/PHONE Bill Winter / 543-4244	
(4) SUBJECT Request to approve a purchase order with Mallory Fire/Mine Safety Appliances (MSA), Inc. for \$162,861.97 a year for five years, to replace Self-Contained Breathing Apparatus (SCBAs) used by County Fire.			
(5) RECOMMENDED ACTION It is recommended that your Board approve the lease/purchase of Self-Contained Breathing Apparatus(SCBAs) and related components from Mallory Fire, and authorize County Fire enter into a five-year purchase agreement with the manufacturer, Mine Safety Appliances (MSA).			
(6) FUNDING SOURCE(S) General Fund	(7) CURRENT YEAR FINANCIAL IMPACT \$162,861.97	(8) ANNUAL FINANCIAL IMPACT \$162,861.97 for five years	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation (Time Est. _____) <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19001114		(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
(15) LOCATION MAP N/A	(16) BUSINESS IMPACT STATEMENT? No	(17) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(18) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest			
(19) SUPERVISOR DISTRICT(S) All			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Cal Fire / Robert Lewin, Chief / 543-4244

DATE: 1/24/2012

SUBJECT: Request to approve a purchase order with Mallory Fire/Mine Safety Appliances (MSA), Inc. for \$162,861.97 a year for five years, to replace Self-Contained Breathing Apparatus (SCBAs) used by County Fire.

RECOMMENDATION

It is recommended that your Board approve the lease/purchase of Self-Contained Breathing Apparatus(SCBAs) and related components from Mallory Fire, and authorize County Fire enter into a five-year purchase agreement with the manufacturer, Mine Safety Appliances (MSA).

DISCUSSION

Self-Contained Breathing Apparatus (SCBAs) are used by firefighters to provide breathable air in hazardous environments. Their use is mandated by health and safety statutes and regulations and County Fire has provided SCBAs to firefighters working on certain types of fires and on hazardous materials incidents for many years.

The majority of SCBAs and components currently in use by the department do not comply with the latest safety standards. Additionally, because they are non-compliant, the manufacturer has stopped making replacement parts. This makes it difficult to maintain these items, and poses a potential threat to the safety of firefighters.

Several different SCBA models are currently in use by County firefighters, which results in an additional training and maintenance burden. Firefighters must learn how to use each of the different models, which is a time-consuming and costly process. There may also be an increased risk of injuries caused by the confusion of using different SCBA models on emergency incidents.

SCBA purchases made by the County over the last two years have been of products manufactured by Mine Safety Appliances (MSA), a leading manufacturer of SCBAs. The department has established MSA as a standard because of the high quality of the products, and because they are currently in use by CAL FIRE and several local fire departments in the County.

County Fire has explored different methods for updating and standardizing the SCBA inventory. Approximately \$100,000 per year has been included in the County budget for SCBA replacements over the last few years, but has not been adequate to fund a complete replacement. MSA has offered County Fire a special purchasing program. Under this program, MSA will provide the department with a full complement of SCBAs compliant with current standards. All of the needed items will be delivered up front, so that existing non-compliant equipment can be taken out of service at once. MSA will lease the SCBAs to the County for \$161,861.97 per year for five years, after which they would be purchased for \$1.00. The total cost over five years would be 814,309.87.

The department has established criteria to determine the total number of SCBAs and related components needed in the complement. These criteria are based on ensuring necessary items are quickly available when and where needed, and that adequate numbers of reserve and backup components are readily available. Using these numbers as a starting

point, and subtracting the number of SCBAs and components purchased over the last two years (which are compliant with new standards), the department has determined the number of items required to be purchased now. This purchase will only replace County SCBAs. Those belonging to CAL FIRE, Los Osos and Pismo Beach will be replaced through other methods.

Mallory Fire has provided the department with a quote for the purchase of these items from MSA, with pricing below current state contract pricing. The state contract with Mallory Fire (contract 1-07-42-04) was competitively bid by the state. As a result, the County can complete this purchase without going through its own competitive bidding process. Per item pricing under the State contract is as follows:

Item	Retail Price	State Contract Price	Mallory Quote
MSA Firehawk M7 4500 Configuration SCBA	\$8,122.00	\$5,116.86	\$3,764.63
MSA H-45 LP Cylinder	\$1,517.76	\$789.24	\$555.36
MSA RescueAire II, without Cylinder	\$3,095.78	\$2,167.05	\$2,053.56

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the documents as to form and legal effect. County Purchasing will prepare a Purchase Order after approval of this request. Staff of the Auditor Controller's Office were consulted regarding the payment schedule and annual encumbrances.

FINANCIAL CONSIDERATIONS

Under the financing agreement, the County will be required to pay \$162,861.97 per year, starting this fiscal year and continuing for the next four fiscal years. The department currently has \$95,000 in its FY 2011-2012 budget for this purchase, along with an additional \$105,000 carried forward from its FY 2010-2011 budget. This agreement will be accompanied by a County Purchase Order which will commit the County to the full purchase amount, paid over the five-year period. Total purchase price will be \$814,309.87, which is the total of the five annual payments.

This purchase price is approximately \$1,000,000 below what the total price would be at retail pricing, and approximately \$200,000 below what it would be at State Contract pricing. In addition, the manufacturer is not charging any interest.

SCBAs have a life expectancy of 10 to 15 years. This purchase will bring the entire County Fire SCBA complement up to current standards. Payments on the finance agreement will continue through FY 2015-2016. Once payments are complete, it will be another five to 10 years before replacements are once again required.

No additional funds are being requested this fiscal year, but the department is requesting the Board's approval to make this purchase because it will result in a purchase contract with the vendor. While no written contract is involved, the purchase order itself will constitute a contract. The term of the contract will end in FY 2015-2016, when the final payment is made. Each year, the purchase order will also result in an encumbrance (commitment) of the funds required for the annual payment. Details of the purchase and for each fiscal year are shown below.

Item	Quantity and Price	Extended Amount
MSA FireHawk M7 4500 Configuration	156 ea. @ \$3,764.63	\$587,382.28
MSA H-45 LP Cylinder	269 ea. @ \$555.36	\$149,391.84
MSA RescueAire II less cylinder	11 ea. @ \$2,053.56	\$22,589.16
	Subtotal	\$759,263.28
	Sales Tax (7.25%)	\$55,046.59
	Freight	\$0
	Total	\$814,309.87

Fiscal Year	Encumbrance Amt	Payment Amount
2011-2012	\$162,861.97	\$162,861.97
2012-2013	\$162,861.97	\$162,861.97
2013-2014	\$162,861.97	\$162,861.97
2014-2015	\$162,861.97	\$162,861.97
2015-2016	\$162,861.97	\$162,861.97
Total	\$814,309.87	\$814,309.87

RESULTS

Approval of this request will allow the department to move forward with updating and standardizing its SCBA complement. Air storage bottles used on the new SCBAs will have an increased storage capacity. This will allow firefighters to remain in hazardous environments for longer periods of time, which will increase the effectiveness of their operations. This will result in A Safe Community and A Healthy Community.

New features included on the SCBAs will increase firefighter safety and reduce injuries. Included in the purchase will be additional reserve air supply units which will be pre-positioned throughout the department, further increasing firefighter safety and reducing injuries. Reducing employee injuries, and purchasing at this special pricing, will result in A Well-Governed Community.

ATTACHMENTS

1. Mallory Fire Quote